



**TOWN OF DAVIE
OFFICE OF THE TOWN ADMINISTRATOR**

MEMORANDUM

TO: Mayor
Town Council
Town Administrator

THROUGH: Will Allen, Project Manager

FROM: Susan Dean, Public Relations Coordinator

DATE: September 25, 2000

RE: Discussions with Waste Management

The Town of Davie and Waste Management have held a number of meetings to discuss certain issues that have become controversial during this past year. As a result, Waste Management will make a presentation to Council on October 4, 2000 on these issues. The topics presented will be :

1. Proposal for a Vacation Policy which requires an amendment to the Franchise Agreement.
2. Changes to Commercial Pick-up for small businesses which requires an amendment to the Franchise Agreement, and an amendment to the Town Code- Section 9.21 and 9.22
3. The 96 gallon cart Pilot Program begun in 1998 which requires a decision as to whether to continue the program on a Town-wide basis.
4. Possible changes to increase the bulk pick-up schedule.

The following has been provided to as a background to the discussions.

1. VACATION POLICY

HISTORY

The Town of Davie has had a Franchise Agreement with Waste Management/Southern

Sanitation/ Broward Disposal since 1979. In 1987, the Town passed a Garbage and Trash Ordinance mandating garbage service for all residents and businesses in the Town.

During the past twenty-one years, when a resident took an extended vacation, or spent a significant amount of time during the year out of Town, the resident notified Waste Management that they were leaving and requested that service be temporarily discontinued, and similarly, notified Waste management upon their return to resume service. There was no charge for this service, nor was there any charge for the period of time that the service was interrupted.

This policy had never been addressed in the previous Franchise Agreements because it had never been an issue.

In March 2000, the Town began to receive calls from irate residents who were making plans to go on vacation and were now being informed by Waste Management that they could no longer cancel their service while they were gone. They were told that they must pay for twelve months worth of service regardless of how long they planned to be away. Waste Management had not informed the Town of this change in policy.

The Town held meetings with Waste Management in April 2000 regarding this issue and informed them that this change in policy was unacceptable to the Town and was not a decision that could be made unilaterally by Waste Management. The Town requested that Waste Management come back with a proposition for consideration.

After three weeks, Waste Management proposed that during one of the quarterly billing periods, residents would receive one month of service free. The Town felt that, this too, was unacceptable.

RESULTS

Subsequent meetings were held and it was mutually agreed upon by staff and Waste Management that residents could cancel service if they were to vacate a residence for 90 days or more, and that upon notification of start-up, a fee of \$25 would be charged by Waste Management. In the final communication from Waste Management received September 22, 2000, "**proper documentation**" would be required in order to receive a temporary suspension of service. The type of documentation that Waste Management referred to has not been agreed to by the Town at this point.

2. COMMERCIAL CONTAINERS

HISTORY

According to **SECTION 2.2.1** of the Franchise Agreement with Waste Management, Waste Management is responsible for furnishing commercial customers with the number and size of containers requested by the customer providing that the containers are sufficient in size and capacity to hold an accumulation of four days worth of garbage. Additionally, collection of containers will be on two non-consecutive days during one calendar week, regardless of the type of garbage, unless specific arrangements are made for more than two collections. The Agreement offers a minimum of a two cubic yard container.

Although the Franchise Agreement calls for twice a week pick-up, there are a number of smaller businesses in the Town that do not have a sufficient accumulation of garbage to warrant twice a week or sometimes even once a week pickup. These are generally small offices that do not accumulate putrescent garbage, and in the past, based upon individual agreements with the hauler, have been able to scale down their pick-up service to once a week or bimonthly collection.

In an effort to bring all businesses under compliance with the Agreement, Waste Management began billing all customers for twice a week pick-up in January 2000. This resulted in complaints from smaller "Mom and Pop" businesses whose garbage consisted of mainly dry rather than wet garbage.

Discussions were held with Waste Management regarding the questionable need for twice a week pickup as well as the need to offer these small businesses a container of less than two cubic yards

RESULT

Waste Management will now offer small businesses once a week pick-up with a choice of one to three 96 gallon carts. This will eliminate unsightly dumpsters and will reduce the cost for service. A representative of the Town, Waste Management and the business will work together to determine the number of containers needed. This will also be followed up by Code Compliance to ensure that businesses were utilizing the proper capacity for their output.

RATE COMPARISON - (4-96 gallon carts equal 1-2 yard container)

<u>96 gallon carts</u>	<u>Times per week</u>	<u>cost</u>
1-96 gallon cart,	1 time per week	\$39 per month
2-96 gallon cart,	1 time per week	\$64 per month
3-96 gallon cart,	1 time per week	\$89 per month
1-96 gallon cart,	2 times per week	\$78 per month
2-96 gallon cart,	2 times per week	\$128 per month
3-96 gallon cart,	2 times per week	\$178 per month
1-96 gallon cart,	3 times per week	\$117 per month
2-96 gallon cart,	3 times per week	\$192 per month
3-96 gallon cart,	3 times per week	\$267 per month

All rates include the Franchise fee (12.5%), container maintenance fees and roll out fees.

2-cubic yard containers

1-2 yard container,	1 time per week	\$108.20 per month
1-2 yard container,	2 times per week	\$192.819 per month

All rates include the Franchise fee (12.5%), container maintenance fees. Castors and roll out fees are extra. One cart per week would equal 36% of the rate for a 2 yard dumpster.

3. 96 GALLON CART PILOT PROGRAM

In 1998, the Town of Davie and Waste Management agreed to begin a pilot program utilizing 96 gallon carts, with the goal of studying the feasibility of converting this into a Town-wide program. Six areas were chosen to participate (approximately 500 homes) in all areas of Davie. The program was to run for one year, and involved two surveys on customer satisfaction, one after six months and one after one year. Following an analysis of the results of the survey, the Council would discuss the pros and cons of this program.

An analysis of the final survey showed that approximately 83% were satisfied with the cart program and would like to see it continued (See enclosed survey). Changes in the Council and Administration since this time have interrupted discussions on this program. Waste Management has now requested discussion be initiated by Council and a decision reached as to whether the pilot program will be stopped or become permanent on a Town-wide basis. In addition to the 96 gallon cart, this program would also include once a week bulk pick-up including yard waste with the same parameters for collection that are currently in place. Should the Town consider converting to this method of pick-up, it will involve an increase in costs to Waste Management. Waste Management has offered three alternatives:

- a) The Town can **extend** the Franchise Agreement in order to allow Waste Management to recoup the cost of the containers and the necessary equipment for provision of this service (special collection trucks). There is not sufficient time left on the current Agreement to provide for an amortization period long enough to offer affordable rates without this extension.
- b) The Town can pay an **additional** sum to Waste Management or quarterly fees paid by residents can be increased to reimburse Waste Management for the costs of the containers and the necessary equipment to provide this service.
- c) The Town can **purchase** the carts, at a cost of \$47 per cart including delivery, to be delivered to the residents by Waste Management. The cost of a second cart for residents (upon request) should be factored into the amount. Waste Management would not increase the cost of service for multiple carts.

4. BULK PICK UP

One of the biggest concerns/complaints from the residents involves bulk pick up. Most residents do not feel that they have been provided with a sufficient avenue to dispose of bulk items and in particular, yard waste. Currently, the Franchise Agreement allows up to six items to be placed curbside on any garbage day - cans, bags, bundles of yard waste or a combination of all three. Yard Waste must be cut in four foot lengths and tied in bundles not weighing more than forty pounds. Bulk pick-up currently occurs bimonthly (six times per year) on scheduled dates. At this time, yard waste must still be processed in the same way, however, up to two cubic yards may be put out (6' x 6' x 6').

The Town and Waste Management have discussed this problem and Waste Management has proposed the feasibility of initiating a once a week bulk/yard waste pick-up (to be processed in the current way), in exchange for the Town taking over the residential billing from Waste Management. This can be accomplished by putting a special garbage assessment on the tax bills. For the fiscal year year 2000-2001, based on the tip fee, the cost would be \$250.80 per year. This method will also ensure that the Town will collect the full amount of franchise fees owed to the Town. In a route audit done by Waste Management in January 2000, it was discovered that in excess of 5,000 homes in Davie do not have garbage service, depriving the Town of those Franchise Fees.

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